

calling plans available to residential customers of Verizon WV in West Virginia are as follows:

Plan 1 Thrifty Caller	All calls within the local calling area are measured
Plan 2 Community Caller	All calls within the home exchange are flat-rated; calls to all other exchanges within the area are measured.
Plan 3 Community Plus	All calls within the home exchange and certain surrounding exchanges are flat-rated; other exchanges within the local calling area are measured.
Plan 4 Frequent Caller	All calls within the local calling area are flat-rated.

d. Accordingly, Plan 4 is an *optional* calling plan that provides flat-rate local calling across a very large area. Customers do not have to choose Plan 4, since there are other alternative calling plans available from Verizon WV and competitive carriers. Moreover, Plan 4 gives customers flat-rate local calling for calls that are normally billed as long distance calls in other, more urban states.

13. For the reasons set forth above, the Parties jointly urge the Commission to find that the rates shown in Attachment B are reasonably comparable to urban rates for purposes of 47 U.S.C. §254(b)(3), and recommend that the Commission certify such comparability in its certification letter to the FCC and USAC. Pursuant to 47 C.F.R. §54.316(d) such certification must be filed on or before October 1, 2004, in order for Verizon WV to receive universal service fund support for 2005.

#### Stipulation

14. The Parties agree that this Stipulation represents a negotiated compromise of opposing views, and that each term of this Stipulation is an integral part of the whole. If this Stipulation is not accepted in full by the Commission, each Party reserves the right to oppose any aspect of the Joint Stipulation, including those aspects which the Commission has accepted without modification.

15. The Parties agree that by signing this Joint Stipulation, no Party binds itself in any way with respect to the position that Party may take for future years regarding the appropriate use of Federal Universal Service Funding received by Verizon, or the comparability of rates in rural areas served by Verizon WV in West Virginia.

Dated this \_\_\_\_ day of September, 2004.

VERIZON WEST VIRGINIA INC.

STAFF OF THE PUBLIC SERVICE  
COMMISSION OF WEST VIRGINIA

By: \_\_\_\_\_  
By: \_\_\_\_\_

CONSUMER ADVOCATE DIVISION OF  
THE PUBLIC SERVICE COMMISSION OF  
WEST VIRGINIA

By: \_\_\_\_\_

Proposed Urban/Rural Classification of Verizon Wire Centers in West Virginia					
(for purposes of the FCC's requirement for ETCs to certify that their rates					
in rural wire centers are comparable to the urban benchmark)					
Rural Wire Centers:					
Rural	UNE Zone	Rural	UNE Zone	Rural	UNE Zone
Alum Creek	3	Logan	2	Walton	4
Alderson	3	Lewisburg	2	West Milford	3
Alloy	3	Man	2	<b>West Liberty</b>	3
Ansted	3	Mason	2	Williamson	2
Apple Grove	3	Meadow Bridge	4	White Sulfur Springs	2
Buckhannon	2	Middlebourne	3	Weston	2
<b>Buffalo</b>	3	Madison	2	West Union	4
Belington	3	Mullens	2	Winfield	2
Bradshaw	3	Monogah	2		
Brandywine	4	Mannington	3		
Berkeley Springs	2	<b>Mineral Wells</b>	3		
Burnsville	4	Montgomery	2		
<b>Bethany</b>	3	Mt. Hope	2		
Cheat Lake	2	Matewan	2		
Chapmanville	3	Newburg	4		
<b>Clendenin</b>	3	New Martinsville	2		
Craigsville	3	Oceana	3		
<b>Dallison</b>	4	Oak Hill	2		
Delbarton	2	Omar	2		
<b>East Bank</b>	2	Paden City	2		
Elkins	2	<b>Piedmont</b>	2		
Elizabeth	4	Philippi	3		
Franklin	4	Pineville	3		
Flat Top	3	Pennsboro	3		
Farmington	2	Peterstown	3		
Fairview	3	Pt. Pleasant	2		
<b>Ft. Gay</b>	3	Rainelle	2		
Fayetteville	2	Richwood	3		
Grafton	2	Rock Cave	4		
Gilbert	3	Ripley	2		
Glen Daniel	3	Rivesville	3		
Glenville	3	Ravenswood	2		
Gum Springs	3	Rowlesburg	4		
Greenville	4	Salem	2		
Gorman	4	Shady Spring	2		
Griffithsville	3	Summersville	2		
Gassaway	3	Shinnston	2		
Gauley Bridge	4	Sophia	2		
<b>Hedgesville</b>	2	Spencer	2		

Hinton	3		<b>Sissonville</b>	3		
Holden	3		Sutton	3		
Jaeger	3		Sistersville	2		
Jane Lew	3		Tunnelton	4		
Kingwood	2		Terra Alta	3		Note: Wire Centers in bold have been changed from strict MSA-based classification
Kermit	4		Union	4		
<b>Keyser</b>	2		<b>Valley Mills</b>	2		
<b>Lubeck</b>	2		Whitesville	3		

**Proposed Urban/Rural Classification of Verizon Wire Centers in West Virginia**  
**(for purposes of the FCC's requirement for ETCs to certify that their rates**  
**in rural wire centers are comparable to the urban benchmark)**

<b>Urban Wire Centers:</b>						
<b>Urban</b>	<b>UNE Zone</b>					
Barboursville	2					
<b>Beckley</b>	1					
Beech Bottom	2					
Belle	2					
<b>Bridgeport</b>	1					
Chester	2					
Charleston	1					
<b>Clarksburg</b>	1					
Dunbar	1					
Elkview	2					
<b>Fairmont</b>	1					
Follansbee	1					
Falling Waters	2					
Huntington	1					
Huntington-West	1					
Hurricane	2					
Inwood	2					
Kanawha City	1					
Milton	2					
<b>Morgantown</b>	1					
Moundsville	1					
Martinsburg	1					
New Cumberland	2					
Nitro	1					
Parkersburg	1					
<b>Pocatalico</b>	2					
Scott Depot	1					
South Charleston	1					
<b>Suncrest</b>	1					

St. Albans	1						
Tyler Heights	1						
Valley Grove	2						
Vienna	1						
Woodsdale	1						
Wheeling	1						
Weirton	1						
Weirton Heights	1						
Warwood	1						
Wellsburg	1						
<b>Williamstown</b>	<b>2</b>						

Note: Wire Centers in bold have  
been changed from strict MSA-  
based classification

**COMPARISON OF VERIZON RATES IN RURAL WIRE CENTERS  
TO NATIONAL URBAN RATE BENCHMARK  
WEST VIRGINIA**

August 2004

	Thrifty Caller	Community Caller	Community+ Caller	Frequent Caller
	Plan 1	Plan 2	Plan 3	Plan 4
Charge or Credit				
Monthly Line Charge	\$6.00	\$15.00	\$22.00	\$29.00
Monthly Average Usage	\$4.74	\$1.88	\$1.21	\$0.00
Federal Subscriber Line Charge	\$6.50	\$6.50	\$6.50	\$6.50
Federal Universal Service Credit	-\$1.70	-\$1.70	-\$1.70	-\$1.70
Federal Universal Service Surcharge	\$0.58	\$0.58	\$0.58	\$0.58
Local Number Portability Surcharge	\$0.00	\$0.00	\$0.00	\$0.00
Telecommunicatoins Relay Service Surcharge	\$0.10	\$0.10	\$0.10	\$0.10
E-911 Surcharge	\$2.02	\$2.02	\$2.02	\$2.02
Subtotal	\$18.24	\$24.38	\$30.71	\$36.50
Federal Excise Tax	\$0.55	\$0.73	\$0.92	\$1.10
TOTAL	\$18.79	\$25.11	\$31.63	\$37.60
National Urban Rate Benchmark	\$34.16	\$34.16	\$34.16	\$34.16
Amount in Excess of Benchmark	n/a	n/a	n/a	\$3.44

## E-911 FEES IN WV

Non-MSA Counties		MSA Counties		Non-Verizon Counties	
County	Fee	County	Fee	County	Fee
Barbour	\$1.80	Berkeley	\$1.50	Calhoun	\$2.45
Boone	\$1.25	Brooke	\$2.05	Clay	\$2.00
Braxton	\$2.10	Cabell	\$1.50	Grant	\$3.75
Doddridge	\$2.45	Hancock	\$0.55	Hampshire	\$2.00
Fayette	\$2.00	Jefferson	\$1.90	Hardy	\$3.75
Gilmer	\$1.85	Kanawha	\$1.25	Pleasants	\$2.00
Greenbrier	\$2.00	Marshall	\$1.20	Pocahontas	\$1.25
Harrison	\$0.98	Ohio	\$1.12	Tucker	\$1.50
Jackson	\$2.00	Putnam	\$1.50	Webster	\$2.60
Lewis	\$1.85	Wayne	\$2.00	AVERAGE	\$2.37
Lincoln	\$3.50	Wood	\$1.75		
Logan	\$1.50	Mineral	\$2.00		
Marion	\$1.03	AVERAGE	\$1.53		
Mason	\$2.00				
McDowell	\$2.90				
Mercer	\$1.25				
Mingo	\$2.00				
Monongalia	\$1.31				
Monroe	\$2.65				
Morgan	\$2.50				
Nicholas	\$1.95				
Pendleton	\$2.50				
Preston	\$1.00				
Raleigh	\$2.00				
Randolph	\$2.50				
Ritchie	\$2.45				
Roane	\$1.75				
Summers	\$1.85				
Taylor	\$1.50				
Tyler	\$2.85				
Upshur	\$1.90				
Wetzel	\$2.95				
Wirt	\$2.00				
Wyoming	\$2.65				
AVERAGE	\$2.02				

**ATTACHMENT B  
ADDITIONAL RATE COMPARABILITY CERTIFICATION  
COMPETITIVE ETCS**

FCC Benchmark	Carrier	Carrier Rate
\$34.16	West Virginia PCS Alliance, L.C. dba NTELOS	\$31.59
\$34.16	FiberNet, LLC	\$33.91
\$34.16	ALLTEL Communications, Inc.	\$29.95 <sup>4</sup>
\$34.16	Sprint Corporation (Includes bundled long distance & several vertical features)	\$35.00 <sup>5</sup>
\$34.16	Highland Cellular, LLC	\$27.09
\$34.16	Easterbrooke Cellular Corporation	\$25.70
\$34.16	Gateway Telecom, LLC, dba StratusWave (Like Verizon WV Inc., StratusWave offers four calling plans and the fourth plan, which slightly exceeds the national benchmark, is optional).	\$18.48 \$24.34 \$30.50 \$36.10 <sup>6</sup>

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<sup>4</sup>ALLTEL's rate does not appear to include the state wireless E-911 fee (\$1.48), federal excise taxes or any other fees or surcharges that might apply. However, the addition of the wireless E-911 fee and federal excise tax should result in a rate below the federal benchmark.

<sup>5</sup>On September 10, 2004, Sprint Corporation filed its affidavit in support of its verification that its residential rates in the urban areas that it serves are reasonably comparable to the national benchmark. This affidavit was supplemented by a filing on September 15, 2004. An electronic copy of Sprint Corporation's affidavit and supplemental information are attached hereto. The original affidavit, with verified signatures, and the supplement are lodged in the Commission's file.

<sup>6</sup>Like Verizon WV Inc., StratusWave offers four calling plans and the fourth plan, which slightly exceeds the national benchmark, is optional.



**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

**CASE NO. 04-1260-T-PC**

**GENERAL INVESTIGATION REGARDING  
CERTIFICATION OF FEDERAL UNIVERSAL SERVICE  
FUNDING FOR ELIGIBLE TELECOMMUNICATIONS  
CARRIERS IN WEST VIRGINIA**

**AFFIDAVIT OF DOUGLAS B. LYNN**

State of Kansas

County of Johnson

I, Douglas B. Lynn, declare as follows:

1. I am employed by Sprint Corporation as an Assistant Vice President. I am authorized to give this affidavit on behalf of Sprint Corporation's Wireless Division, consisting of SprintCom, Inc., Sprint Spectrum, L.P. and Wireless Co., L.P., d/b/a Sprint.

2. Under 47 C.F.R. § 54.313(c)(3), the Public Service Commission of West Virginia ("Commission") is required to certify to the Federal Communications Commission ("FCC") and the Universal Service Administrative Company ("USAC") by October 1<sup>st</sup> of each year that eligible telecommunications carriers ("ETCs") such as Sprint will use federal high-cost universal service support in a manner consistent with 47 U.S.C. § 254(e).

3. Sprint hereby certifies, pursuant to an Order of the Commission issued in the above-captioned proceeding, that the federal high-cost universal service support that it will receive in 2005

will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Telecommunications Act of 1996.

4. Under 47 C.F.R. § 54.316, the Commission is also required to certify to the FCC and USAC by October 1, 2004 that all residential rates in rural areas served by ETCs in West Virginia are reasonably comparable to urban rates nationwide.

5. Sprint hereby certifies that its residential rates in the rural areas that it serves in West Virginia are comparable to its rates in the urban areas that it serves and reasonably comparable to the national urban rate benchmark of \$34.16 for residential basic local service established by the FCC.<sup>1</sup> Sprint's rate plans do not distinguish between urban and rural areas. The rate for Sprint's Free and Clear Service wireless plan is \$35.00 per month. This rate also includes nationwide long distance calling, unlimited weekend and night minutes and several custom calling features, such as voicemail, caller ID and call waiting, that are not available in the basic local service packages offered by incumbent and competitive local exchange carriers. Considering these factors, Sprint's rate for its basic wireless plan is reasonably comparable to the national urban rate benchmark for residential basic local service.

FURTHER AFFIANT SAYETH NOT.

\s\ Douglas B. Lynn

Sworn to and subscribed before me this 9th day of September 2004.

\s\ Suzanne G. Russell

Notary Public

My Commission expires: 3/21/2007

[stamp does not appear on electronic copy]

<sup>1</sup> *Reference Book of Rates, Price Indices and Expenditures for Telephone Service*, FCC's Wireline Competition Bureau, July 1, 2004.

✓

**THOMAS N. HANNA**  
*Attorney at Law*  
1206 VIRGINIA STREET, EAST, SUITE 201  
CHARLESTON, WV 25301

MAILING ADDRESS:  
P. O. BOX 3967  
CHARLESTON, WV 25339

September 15, 2004

TELEPHONE (304) 342-1687  
FAX (304) 342-8761  
e-mail: thannalaw@charter.net

**VIA HAND DELIVERY**

Sandra Squire  
Executive Secretary  
Public Service Commission  
201 Brooks Street  
Charleston, WV 25301

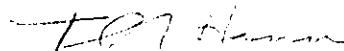
Re: Case No. 04-1260-T-GI  
GENERAL INVESTIGATION REGARDING  
CERTIFICATION OF FEDERAL UNIVERSAL  
SERVICE FUNDING FOR ELIGIBLE  
TELECOMMUNICATIONS CARRIERS IN WEST  
VIRGINIA

Petition by Staff for the Commission to  
initiate a general investigation into the  
certification of federal universal service  
funding for eligible telecommunications  
carriers in West Virginia.

Dear Ms. Squire:

In connection with the above case, I hand you herewith for filing the original and twelve (12) copies of Attachment A, Comparison of Sprint PCS Rates in Rural Wire Centers to National Urban Rate Benchmark West Virginia, which should be attached to the Affidavit of Douglas B. Lynn, Assistant Vice President for Sprint Corporation. I have also served a copy upon all parties of record, as indicated by the attached certificate of service.

Sincerely,



Thomas N. Hanna  
WV State Bar # 1581

TNH/ll

Enclosure

cc: All parties  
J. Duane, Esq.

COMPARISON OF SPRINT PCS RATES IN RURAL WIRE CENTERS  
TO NATIONAL URBAN RATE BENCHMARK  
WEST VIRGINIA

Charge or Credit	Plan 1 – Sprint PCS Free and Clear <sup>SM</sup> Plan
Monthly Line or Service Charge	35.00*
Monthly Average Usage (300 anytime minutes)	included in service charge
Federal Subscriber Line Charge	--
Federal Universal Service Credit	--
Federal Universal Service Surcharge (2.04%)	0.71
Local Number Portability Surcharge	0.40
Telecommunications Relay Service Surcharge	--
Wireless E-911 Fee	1.48
Subtotal	37.59
Federal Excise Tax (3%)	1.05
TOTAL	38.64
National Urban Rate Benchmark	34.16
Amount in Excess of Benchmark	4.48

\*Sprint's Free and Clear<sup>SM</sup> Service Plan is its standard wireless service plan. Sprint's rate of \$35.00 for its Free and Clear<sup>SM</sup> Service Plan also includes nationwide long distance calling, unlimited weekend and night minutes and vertical features such as voice mail, caller ID, call waiting, numeric paging and three-way calling. Sprint's plan also gives consumers the benefits of mobility and the ability to place and receive calls everywhere, not just at one's home or business. These benefits are not available with standard residential local rate plans offered by local exchange carriers, on which the FCC's national rate benchmark is based.

Sprint does not provide a service that just offers connectivity without mobility nor does it provide a service that just offers local service without toll or vertical features. It is difficult to separate out the toll and vertical features components from the total rate offered for this wireless service plan. The distinctions between local versus long distance and basic versus vertical services are derived from an ILEC construct and are inapplicable to PCS service.

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

CASE NO. 04-1260-T-PC

GENERAL INVESTIGATION REGARDING  
CERTIFICATION OF FEDERAL UNIVERSAL  
SERVICE FUNDING FOR ELIGIBLE  
TELECOMMUNICATIONS CARRIERS  
IN WEST VIRGINIA

**STIPULATION**

This Stipulation is entered into this 3<sup>rd</sup> day of September, 2004, by and among Verizon West Virginia Inc. ("Verizon WV"), the Staff of the Public Service Commission ("Staff"), and the Consumer Advocate Division of the Public Service Commission ("CAD") (hereinafter collectively called "the Parties"), by their respective counsel.

WHEREAS, the Parties previously entered into a series of Stipulations and Settlements on the annual disposition of federal universal service funds in Case Nos. 99-1620-T-GI, 00-1579-T-GI and 00-1855-T-PC, 01-1646-T-PC, 02-2044-T-PC and 04-0098-T-P; and

WHEREAS, pursuant to 47 C.F.R. §54.313(c)(3), the Commission is required to certify to the Federal Communications Commission ("FCC") and the Universal Service

Administrative Company (“USAC”) by October 1<sup>st</sup> of each year that all universal service funds received by Verizon WV have been used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, in order that Verizon WV can continue to receive universal service support for the coming year; and

WHEREAS, the next such certification is due on or before October 1, 2004, and will affect funding received in 2005; and

WHEREAS, pursuant to 47 C.F.R. §54.316, the Commission is also required to certify to the FCC and USAC by October 1, 2004, that all residential rates in rural areas served by Verizon WV in West Virginia are reasonably comparable to urban rates, in order that Verizon WV can continue to receive universal service support in 2005; and

WHEREAS, the Parties have met and have agreed (a) that Verizon WV has used all federal universal service funds only for the provision, maintenance and upgrading of facilities and services for which the support is intended; (b) on a definition of rural and urban wire centers served by Verizon WV in West Virginia; (c) on a comparison of Verizon’s residential rates in West Virginia to the national urban rate benchmark; and (d) that residential rates in rural areas served by Verizon WV in West Virginia are reasonably comparable to rates in urban areas for purposes of 47 U.S.C §254(b)(3);

NOW, THEREFORE, the Parties do hereby agree and stipulate as follows:

#### Use of USF Support

1. During 2003 Verizon WV received approximately \$31 million in federal universal service support in West Virginia. Verizon WV used this support only for the provision, maintenance and upgrading of facilities and services for which the support was intended. Approximately \$25 million of this support was returned to ratepayers in the form of

while certain arguably urban wire centers would be classified as “rural.” In order to divide Verizon’s wire centers into “rural” and “urban” for purposes of 47 C.F.R. §54.316(a), the Parties have agreed in this Stipulation on the classification of wire centers as set forth in Attachment A hereto. All wire centers shown in bold type have been moved from the classification that would have resulted from strict application of MSA definitions in West Virginia.

5. The classification of wire centers set forth in Attachment A results in a rational division of wire centers in West Virginia. As can be seen from review of Attachment A, all wire centers contained in Unbundled Network Element (“UNE”) zone 1 (*i.e.*, low cost wire centers) are classified as urban, while all wire centers in UNE zones 3 and 4 are classified as rural. Wire centers contained in UNE zone 2 are divided between urban and rural based on their population densities and demographics. Less dense wire centers in UNE zone 2 with few urban concentrations of population – such as Keyser and Lubeck – were classified as “rural,” while wire centers in UNE zone 2 that were urban or –suburban – such as Morgantown and Beckley – were classified as “urban.”

6. The Parties jointly urge the Commission to adopt the urban/rural classification of wire centers set forth in Attachment A, and recommend the adoption of this classification in the Commission’s certification letter to the FCC and USAC.

7. Without limiting the general applicability of Paragraphs 14 and 15 below, the Parties agree that no party to this Stipulation is prohibited from proposing any other classification of wire centers as “urban” and “rural” in any future year or for any other purpose.

#### Rate Template and Comparison of Rates



8. In order to compare the rates in rural wire centers served by Verizon WV to the national urban rate benchmark, the Parties have followed the rate template set forth in the FCC's annual *Reference Book of Rates, Price Indices and Expenditures for Telephone Service*, dated July 1, 2004, as required by 47 C.F.R. §54.316(b). The results of this comparison are set forth in Attachment B attached hereto.

9. The rates shown on Attachment B include the monthly line charge for each residential calling plan, the average monthly usage for each calling plan, the federal subscriber line charge, the federal universal service credit, the federal universal service surcharge, the local number portability surcharge, the Telecommunications Relay Service surcharge, E-911 surcharge and federal excise tax. There are no state taxes which are applicable to customers' bills. Some municipalities do impose a municipal excise tax of not more than 2% on telephone bills received by customers within the city limits of the municipality. Because these taxes are not imposed by all municipalities, and because these taxes do not apply to all customers within rural wire centers served by Verizon, the Parties have agreed not to include these taxes in the rate template used on Attachment B.

10. The rate template used in Attachment B includes a monthly fee for E-911 service. These fees are determined by each county in West Virginia, are collected by Verizon WV from customers within each county, and remitted to the respective counties. Because the E-911 fee varies from county to county, for purposes of the rate template used in Attachment B, the Parties have agreed to use a statewide average of E-911 fees charged in non-MSA counties served by Verizon. That statewide average is \$2.02 per month. Derivation of this statewide average E-911 fee is shown on Attachment C.

11. The Parties jointly urge the Commission to adopt the use of the statewide average E-911 fee for non-MSA counties as part of the rate template used in Attachment B. The Parties further jointly urge the Commission to adopt the rate template used in Attachment

B. The Parties also jointly recommend that the Commission adopt the rate template in its certification letter to the FCC and USAC.

#### Rate Comparability

12. As can be seen on Attachment B, Verizon's rates for residential calling plans 1 – 3 fall below the FCC's current urban rate benchmark of \$34.16, while the rates for residential calling plan 4 are \$3.44 above the benchmark. Even though the rates for one of the residential calling plans are above the FCC's urban rate benchmark, the Parties jointly recommend that the Commission find that rates charged in rural areas served by Verizon WV are nonetheless reasonably comparable to rates in urban areas for the following reasons:

a. Since 1988 the rates charged to residential customers in West Virginia have been uniform throughout the state, that is, they do not vary based on whether the customer is located in an urban wire center or a rural wire center.

b. "Local calling areas" are uniformly defined throughout West Virginia. The "local calling area" of customers in each wire center is defined as (i) the customer's home wire center; (ii) all wire centers contiguous to the customer's home wire center; and (iii) every other wire center whose central office is within 22 air miles of the central office of the home wire center. This means that every residential customer in every Verizon WV wire center in West Virginia, rural or urban, has a large local calling area, usually in excess of fifty miles in diameter. These large local calling areas benefit residential customers by reducing the need to make long distance calls for normal daily activities.

c. Every residential customer in every Verizon WV wire center has the choice of the same four calling plans. Unlike rate plans in other states, residential customers in rural areas are not forced to subscribe to service under only one rate plan. Since the rate

plans are optional, no customer is forced to purchase service under any particular plan. Each customer can choose which plan is best for his or her particular calling needs. The basic calling plans available to residential customers of Verizon WV in West Virginia are as follows:

Plan 1 Thrifty Caller	All calls within the local calling area are measured
Plan 2 Community Caller	All calls within the home exchange are flat-rated; calls to all other exchanges within the area are measured.
Plan 3 Community Plus	All calls within the home exchange and certain surrounding exchanges are flat-rated; other exchanges within the local calling area are measured.
Plan 4 Frequent Caller	All calls within the local calling area are flat-rated.

d. Accordingly, Plan 4 is an *optional* calling plan that provides flat-rate local calling across a very large area. Customers do not have to choose Plan 4, since there are other alternative calling plans available from Verizon WV and competitive carriers. Moreover, Plan 4 gives customers flat-rate local calling for calls that are normally billed as long distance calls in other, more urban states.

13. For the reasons set forth above, the Parties jointly urge the Commission to find that the rates shown in Attachment B are reasonably comparable to urban rates for purposes of 47 U.S.C. §254(b)(3) , and recommend that the Commission certify such comparability in its certification letter to the FCC and USAC. Pursuant to 47 C.F.R. §54.316(d) such certification must be filed on or before October 1, 2004, in order for Verizon WV to receive universal service fund support for 2005.

Stipulation

14. The Parties agree that this Stipulation represents a negotiated compromise of opposing views, and that each term of this Stipulation is an integral part of the whole. If this Stipulation is not accepted in full by the Commission, each Party reserves the right to oppose any aspect of the Joint Stipulation, including those aspects which the Commission has accepted without modification.

15. The Parties agree that by signing this Joint Stipulation, no Party binds itself in any way with respect to the position that Party may take for future years regarding the appropriate use of Federal Universal Service Funding received by Verizon, or the comparability of rates in rural areas served by Verizon WV in West Virginia.

Dated this \_\_\_\_ day of September, 2004.

VERIZON WEST VIRGINIA INC.

STAFF OF THE PUBLIC SERVICE  
COMMISSION OF WEST VIRGINIA

By: \_\_\_\_\_  
By: \_\_\_\_\_

CONSUMER ADVOCATE DIVISION OF  
THE PUBLIC SERVICE COMMISSION OF  
WEST VIRGINIA

By: \_\_\_\_\_

## E-911 FEES IN WV

Non-MSA Counties		MSA Counties		Non-Verizon Counties	
County	Fee	County	Fee	County	Fee
Barbour	\$1.80	Berkeley	\$1.50	Calhoun	\$2.45
Boone	\$1.25	Brooke	\$2.05	Clay	\$2.00
Braxton	\$2.10	Cabell	\$1.50	Grant	\$3.75
Doddridge	\$2.45	Hancock	\$0.55	Hampshire	\$2.00
Fayette	\$2.00	Jefferson	\$1.90	Hardy	\$3.75
Gilmer	\$1.85	Kanawha	\$1.25	Pleasants	\$2.00
Greenbrier	\$2.00	Marshall	\$1.20	Pocahontas	\$1.25
Harrison	\$0.98	Ohio	\$1.12	Tucker	\$1.50
Jackson	\$2.00	Putnam	\$1.50	Webster	\$2.60
Lewis	\$1.85	Wayne	\$2.00	AVERAGE	\$2.37
Lincoln	\$3.50	Wood	\$1.75		
Logan	\$1.50	Mineral	\$2.00		
Marion	\$1.03	AVERAGE	\$1.53		
Mason	\$2.00				
McDowell	\$2.90				
Mercer	\$1.25				
Mingo	\$2.00				
Monongalia	\$1.31				
Monroe	\$2.65				
Morgan	\$2.50				
Nicholas	\$1.95				
Pendleton	\$2.50				
Preston	\$1.00				
Raleigh	\$2.00				
Randolph	\$2.50				
Ritchie	\$2.45				
Roane	\$1.75				
Summers	\$1.85				
Taylor	\$1.50				
Tyler	\$2.85				
Upshur	\$1.90				
Wetzel	\$2.95				
Wirt	\$2.00				
Wyoming	\$2.65				
AVERAGE	\$2.02				

**ATTACHMENT B**  
**ADDITIONAL RATE COMPARABILITY CERTIFICATION**  
**COMPETITIVE ETCS**

FCC Benchmark	Carrier	Carrier Rate
\$34.16	West Virginia PCS Alliance, L.C. dba NTELOS	\$31.59
\$34.16	FiberNet, LLC	\$33.91
\$34.16	ALLTEL Communications, Inc.	\$29.95 <sup>4</sup>
\$34.16	Sprint Corporation (Includes bundled long distance & several vertical features)	\$35.00 <sup>5</sup>
\$34.16	Highland Cellular, LLC	\$27.09
\$34.16	Easterbrooke Cellular Corporation	\$25.70
\$34.16	Gateway Telecom, LLC, dba StratusWave (Like Verizon WV Inc., StratusWave offers four calling plans and the fourth plan, which slightly exceeds the national benchmark, is optional).	\$18.48 \$24.34 \$30.50 \$36.10 <sup>6</sup>

<sup>4</sup>ALLTEL's rate does not appear to include the state wireless E-911 fee (\$1.48), federal excise taxes or any other fees or surcharges that might apply. However, the addition of the wireless E-911 fee and federal excise tax should result in a rate below the federal benchmark.

<sup>5</sup>On September 10, 2004, Sprint Corporation filed its affidavit in support of its verification that its residential rates in the urban areas that it serves are reasonably comparable to the national benchmark. This affidavit was supplemented by a filing on September 15, 2004. An electronic copy of Sprint Corporation's affidavit and supplemental information are attached hereto. The original affidavit, with verified signatures, and the supplement are lodged in the Commission's file.

<sup>6</sup>Like Verizon WV Inc., StratusWave offers four calling plans and the fourth plan, which slightly exceeds the national benchmark, is optional.

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

**CASE NO. 04-1260-T-PC**

**GENERAL INVESTIGATION REGARDING  
CERTIFICATION OF FEDERAL UNIVERSAL SERVICE  
FUNDING FOR ELIGIBLE TELECOMMUNICATIONS  
CARRIERS IN WEST VIRGINIA**

**AFFIDAVIT OF DOUGLAS B. LYNN**

State of Kansas

County of Johnson

I, Douglas B. Lynn, declare as follows:

1. I am employed by Sprint Corporation as an Assistant Vice President. I am authorized to give this affidavit on behalf of Sprint Corporation's Wireless Division, consisting of SprintCom, Inc., Sprint Spectrum, L.P. and Wireless Co., L.P., d/b/a Sprint.

2. Under 47 C.F.R. § 54.313(c)(3), the Public Service Commission of West Virginia ("Commission") is required to certify to the Federal Communications Commission ("FCC") and the Universal Service Administrative Company ("USAC") by October 1<sup>st</sup> of each year that eligible telecommunications carriers ("ETCs") such as Sprint will use federal high-cost universal service support in a manner consistent with 47 U.S.C. § 254(e).

3. Sprint hereby certifies, pursuant to an Order of the Commission issued in the above-captioned proceeding, that the federal high-cost universal service support that it will receive in 2005 will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended, consistent with section 254(e) of the Telecommunications Act of 1996.

4. Under 47 C.F.R. § 54.316, the Commission is also required to certify to the FCC and USAC by October 1, 2004 that all residential rates in rural areas served by ETCs in West Virginia are reasonably comparable to urban rates nationwide.

5. Sprint hereby certifies that its residential rates in the rural areas that it serves in West Virginia are comparable to its rates in the urban areas that it serves and reasonably comparable to the national urban rate benchmark of \$34.16 for residential basic local service established by the FCC.<sup>1</sup> Sprint's rate plans do not distinguish between urban and rural areas. The rate for Sprint's Free and Clear Service wireless plan is \$35.00 per month. This rate also includes nationwide long distance calling, unlimited weekend and night minutes and several custom calling features, such as voicemail, caller ID and call waiting, that are not available in the basic local service packages offered by incumbent and competitive local exchange carriers. Considering these factors, Sprint's rate for its basic wireless plan is reasonably comparable to the national urban rate benchmark for residential basic local service.

FURTHER AFFLIANT SAYETH NOT.

\s\ Douglas B. Lynn

Sworn to and subscribed before me this 9th day of September 2004.

\s\ Suzanne G. Russell  
Notary Public

My Commission expires: 3/21/2007

[stamp does not appear on electronic copy]

<sup>1</sup> *Reference Book of Rates, Price Indices and Expenditures for Telephone Service*, FCC's Wireline Competition Bureau, July 1, 2004.



**THOMAS N. HANNA**

*Attorney at Law*

1206 VIRGINIA STREET, EAST, SUITE 201  
CHARLESTON, WV 25301

September 15, 2004

MAILING ADDRESS:  
P. O. BOX 3967  
CHARLESTON, WV 25339

TELEPHONE (304) 342-1687  
FAX (304) 342-8761  
e-mail: thannalaw@charter.net

**VIA HAND DELIVERY**

Sandra Squire  
Executive Secretary  
Public Service Commission  
201 Brooks Street  
Charleston, WV 25301

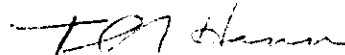
Re: Case No. 04-1260-T-GI  
GENERAL INVESTIGATION REGARDING  
CERTIFICATION OF FEDERAL UNIVERSAL  
SERVICE FUNDING FOR ELIGIBLE  
TELECOMMUNICATIONS CARRIERS IN WEST  
VIRGINIA

Petition by Staff for the Commission to  
initiate a general investigation into the  
certification of federal universal service  
funding for eligible telecommunications  
carriers in West Virginia.

Dear Ms. Squire:

In connection with the above case, I hand you herewith for filing the original and twelve (12) copies of Attachment A, Comparison of Sprint PCS Rates in Rural Wire Centers to National Urban Rate Benchmark West Virginia, which should be attached to the Affidavit of Douglas B. Lynn, Assistant Vice President for Sprint Corporation. I have also served a copy upon all parties of record, as indicated by the attached certificate of service.

Sincerely,



Thomas N. Hanna  
WV State Bar # 1581

TNH/ll

Enclosure

cc: All parties  
J. Duane, Esq.

COMPARISON OF SPRINT PCS RATES IN RURAL WIRE CENTERS  
TO NATIONAL URBAN RATE BENCHMARK  
WEST VIRGINIA

Charge or Credit	Plan 1 – Sprint PCS Free and Clear <sup>SM</sup> Plan
Monthly Line or Service Charge	35.00*
Monthly Average Usage (300 anytime minutes)	included in service charge
Federal Subscriber Line Charge	--
Federal Universal Service Credit	--
Federal Universal Service Surcharge (2.04%)	0.71
Local Number Portability Surcharge	0.40
Telecommunications Relay Service Surcharge	--
Wireless E-911 Fee	1.48
Subtotal	37.59
Federal Excise Tax (3%)	1.05
TOTAL	38.64
National Urban Rate Benchmark	34.16
Amount in Excess of Benchmark	4.48

\*Sprint's Free and Clear<sup>SM</sup> Service Plan is its standard wireless service plan. Sprint's rate of \$35.00 for its Free and Clear<sup>SM</sup> Service Plan also includes nationwide long distance calling, unlimited weekend and night minutes and vertical features such as voice mail, caller ID, call waiting, numeric paging and three-way calling. Sprint's plan also gives consumers the benefits of mobility and the ability to place and receive calls everywhere, not just at one's home or business. These benefits are not available with standard residential local rate plans offered by local exchange carriers, on which the FCC's national rate benchmark is based.

Sprint does not provide a service that just offers connectivity without mobility nor does it provide a service that just offers local service without toll or vertical features. It is difficult to separate out the toll and vertical features components from the total rate offered for this wireless service plan. The distinctions between local versus long distance and basic versus vertical services are derived from an ILEC construct and are inapplicable to PCS service.